

30 August 1976

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MEMORANDUM FOR: PAS/ORD

SUBJECT: Establishment of a Futures Research Program in the Agency

1. I'm sorry, but your proposal for a Futures Research Program does not create a surge of enthusiasm on my part. We have, in the last several years, attempted to adapt for our own use, any number of managerial tools and systems from the world of private industry, some with some success and some without any. In my view, forecasting, as practiced by private industry, has no practical application in the intelligence world, either as a resource-allocation aid or for improving the quality of estimates.

2. Private industry exists in a real world to which it must react if it is to survive. A five-year projection of economic trends, therefore, is something that corporate planners can really work with. The Intelligence Community, on the other hand, exists in an environment in which the real world abroad (outside the U.S.) has relatively little to do with resource allocation. The Intelligence Community, for example, has been shrinking in numbers of people at the very time the USSR has been coming closer to strategic parity with the U.S. Such a development would make no sense unless one understood that the focus of the U.S. public's interest shifted dramatically toward domestic issues during this period. The Agency would have been quite out of order estimating the U.S. domestic trends that produced that development.

3. Similarly, what the Agency does with its resources has, in many cases, more to do with what can be done technically than with what should be done. I would suggest that we do not need a Futures Program to tell us what the state of the S&T art will be five to 20 years from now; that is already being done elsewhere. A Futures Program, moreover, would not get resources devoted to particular intelligence problem if some technically sexy program becomes practical in another area that competes for resources.

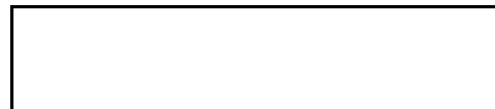
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4. A Futures Program might make a contribution to substantive analysis and estimating, but I am inclined to think it would be small. As your proposal points out, analysts and estimators tend to place a low measure of confidence in projections five to 20 years out. Their conservatism stems from their experience at their arts; a good many good men have had their swords broken in forecasting battles past. Ultimately, the process develops into identifying trends in such broad terms that knowledge of the trends is of no practical help to the person working on specific, more current problems.

5. Finally, I note that your program includes developing options for U.S. policy makers. It strikes me you are on a very aggressive, if not improper, tack. Agency analysts currently operate with very specific instructions not to comment on or recommend U.S. policies, especially when working on National Security Study Memoranda that do put forth policy options.

6. Having expressed these negative thoughts, I wish I had some positive alternative to offer. I regret that in my own thinking about the problem, I have been unable to find one. As our Program for FY 1978 posed as issues the resource shifts that were made, but not planned for, in FY 1975, so, in the future, will we put forward as planning what we have already been forced to do by external forces over which we have no control and about which we are legally bound not to estimate.

7. The comments above are, as you asked, my comments alone. If you would like those of the D/DCI/NI or those of the NI Staff, I will be happy to solicit them on your behalf.



Executive Officer
National Intelligence

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